

EXHIBIT 27-A

**California American Water Main Distribution System
Quarterly Water Supply Strategy and Budget: July - September 2010**

Proposed Production Values by Source in Acre-Feet

SOURCE/USE	MONTH			YEAR-TO-DATE		
	Jul-10	Aug-10	Sep-10	Oct-09 - May-10	% of YTD	% of Annual Target
<u>Source</u>						
San Clemente Reservoir	0	0	0	0	0.0%	--
Carmel Valley Aquifer						
Upper Subunits	0	0	0	334	4.7%	--
Lower Subunits	938	933	798	5,353	75.4%	43.9%
Seaside Groundwater Basin						
Coastal Subareas	472	472	472	1,395	19.6%	38.9%
Phase 1 ASR Recovery	78	78	78	0	0.0%	0.0%
Sand City Desalination	25	25	25	20	0.3%	6.7%
Total	1,513	1,508	1,373	7,102		
<u>Use</u>						
Customer Service	1,513	1,508	1,373	7,102	100.0%	50.7%
Phase 1 ASR Storage	0	0	0	1,111		
Total	1,513	1,508	1,373	8,213		

Notes:

- The budget reflects "above normal" inflow conditions and assumes that the monthly unimpaired inflows at the San Clemente Dam site during the June 2010 - September 2010 period will equal the pattern of flows seen in a recent similar year, 2006, offset by 2 months to better match the current pattern of flow recession , i.e., 2,807, 1,558, 756, and 729 AF, respectively.
- The annual budget period corresponds to the Water Year, which begins on October 1 and ends on September 30 of the following Calendar Year.
- Total monthly production for "Customer Service" in CAW's main system was calculated by multiplying total annual production (14,012 AF) times the average percentage of annual production for July, August, and September (10.80%, 10.76%, and 9.80%, respectively). The annual production total was based on the assumption that production from the Coastal Subareas of the Seaside Groundwater Basin would not exceed 3,583 AF (3,087 AF annual allocation + 496 AF of WY 2009 carryover) and production from Carmel River sources would not exceed 10,429 AF in WY 2010. The average production percentages were based on monthly data for customer service from WY 1998 to 2007.
- Anticipated production for "Phase 1 ASR Storage" will be '0' as the diversion season ends May 31 of each year. "Total" monthly CAW "Use" includes water for customer service and water for injection into the Seaside Basin.
- No surface water diversions from San Clemente Reservoir (SCR) are assumed for this period. SCR is currently full and spilling, and the drawdown season officially begins June 1, 2010. However, base flows continue to exceed 30 CFS such that the drawdown may not occur until late June.
- The production target for CAW's wells in the Upper Subunits of the Carmel Valley Aquifer is set to 0 AF for July through September based on CAW's goal to avoid use of these wells during this period. However, production could be higher under existing State water rights and interagency operating agreements.
- The production targets for CAW's wells in the Seaside Coastal Subareas are based on the need for CAW to produce its full Standard Production Allocation during the remainder of WY 2010 to be in compliance with SWRCB WRO No. 95-10, i.e., 275 AF in June and 1,416 AF for the last quarter of July-September.